

AMENDMENT NUMBER TWO (2)
CHILDREN, YOUTH AND FAMILIES DEPARTMENT
GOVERNMENTAL SERVICES AGREEMENT

This is the second Amendment to Agreement No. 13-690-15212 between the State of New Mexico, Children, Youth and Families Department, hereinafter referred to as the “Agency” and **Pueblo of Zuni**, hereinafter referred to as the “Contractor,” and is effective as of the date set forth below upon which it is executed.

PURPOSE OF AMENDMENT:

1. **Revise Attachment 2 – Budget** specifically to correct the amount of the Permanent Positions-Full/Part Time for FY14, FY15 and FY16 from \$28,153.00 to \$27,153.00. This correction does not impact the overall annual/contractual amount; therefore, the overall contractual amount shall remain at \$152,690.00.
2. **Revise Paragraph VIII – Maintenance of Records** to include the newly revised version of the CYFD Administrative and Fiscal Standards as incorporated herein as **Revised Attachment 4**.

CHANGES TO CONTRACT

III. Limitation of Cost

The total amount of the monies payable to the Contractor under this Agreement shall not exceed one hundred fifty two thousand six hundred ninety dollars (**\$152,690.00**). The annual budget is attached hereto as “**Second Revised Attachment 2 - Budget**” and incorporated herein by reference.

VIII. Maintenance of Records

The Agency shall maintain records as required of any administering state agency pursuant to applicable state law and regulation. The Contractor shall maintain fiscal and programmatic records relative to those funds and activities that have been made subject to this Agreement for a minimum of three (3) years. The Contractor agrees to comply with the requirements and regulations set forth in **Revised Attachment 4 – Administrative and Fiscal Standards**, unless the Contractor demonstrates in writing, with written approval from CYFD, that any specific standard is inapplicable to such Contractor.

All other sections and exhibits in Agreement No. 13-690-15212 remain in effect and are not altered by this Amendment.

IN WITNESS WHEREOF, the Agency and the Contractor have caused this Agreement to be executed, said Agreement to become effective when signed by both parties.

Contractor – Pueblo of Zuni



Authorized Signatory

Date: _____


TRIBAL COUNCILMAN

Printed Title of Authorized Signatory

Legal Counsel, Contractor

Date: _____

Agency – Children, Youth and Families Department



Secretary or Designee, CYFD

Date: 3/17/14

Approved as to legal form and sufficiency.



Office of General Counsel, CYFD

Date: 3-12-14

Second Revised Attachment 2 – Budget
Pueblo of Zuni

1. The Contractor shall be paid according to the following budget:

Description	FY13 Budget	FY14 Budget	Estimated FY15 Budget	Estimated FY16 Budget	Estimated Contract Amount
Permanent Positions-Full/Part Time	\$25,002.00	\$27,153.00	\$27,153.00	\$27,153.00	\$106,461.00
Other Employment Benefits	\$3,477.00	\$3,477.00	\$3,477.00	\$3,477.00	\$13,908.00
Transportation-Other Travel	\$151.00	\$151.00	\$151.00	\$151.00	\$604.00
Utilities	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$4,800.00
Rent of Land & Buildings	\$454.00	\$454.00	\$454.00	\$454.00	\$1,816.00
Telecommunications	\$593.00	\$593.00	\$593.00	\$593.00	\$2,372.00
Employee Training	\$1,223.00	\$1,223.00	\$1,223.00	\$1,223.00	\$4,892.00
Administrative Overhead	\$4,372.00	\$4,372.00	\$4,372.00	\$4,372.00	\$17,488.00
Miscellaneous Other Expenses					
TOTAL	36,472.00	38,623.00	38,623.00	38,623.00	\$152,341.00

2. TRAVEL FOR CONTRACTORS MEETING

	FY13	FY14	FY15	FY16	TOTAL Amount
In-State Mileage	\$151.00	\$66.00	\$66.00	\$66.00	\$349.00

3. Based on periodic program and fiscal reviews, the Agency retains the sole discretion to reduce the contract budgets of contractors who are not generating units sufficient to utilize the entire budget by the end of the contract period. The Agency retains the sole discretion to reallocate the resulting funds to contractors who are able to provide additional units within the contract period.

The Agency will notify the Contractor in writing thirty (30) days prior to taking such action. The Agency is not obligated to pay the Contractor for any dollar amount in excess of the total contracted amount without executing an amendment to this agreement.

4. The Contractor shall not bill and the Agency shall not pay Medicaid Certified Providers for Medicaid reimbursable services provided to Medicaid eligible clients.
5. The Contractor shall agree that grant funds made available to the Agency will not be used as direct payment to any victim or dependent of a victim of family violence.
6. Per diem, mileage, and other miscellaneous expenses, will be paid in accordance with the Agency of Finance and Administration (DFA) Rule 2.42.2 NMAC.
7. Budget adjustments may be made with the prior written approval of the Agency's Program Manager. Not more than four (4) budget adjustments can be applied within one contract year. The Contractor may not request any budget adjustments after May 31st of the contract year.
8. Contractor shall maintain records of services rendered for the (3) years, as described in the Domestic Violence Service Definition Manual and sufficient to verify that contractual services were provided consistent with billings submitted by Contractor. The Contractor shall permit Agency staff to have access to its records for auditing and verification purposes.
9. No fee may be assessed on a client whose income equals or is below the federal poverty guidelines. Clients who cannot pay a fee will not be discriminated against or denied service.
10. The Contractor may establish a sliding scale schedule for perpetrators of domestic violence under the condition that the sliding scale schedule and accompanying procedures are approved by the Agency prior to implementation.
11. The Agency reserves the right to designate funding source when validating expenditures. TANF eligible clients shall be funded with TANF funds.
12. The funding for this contract is delineated as follows:

Funding Sources

GENERAL FUND

FEDERAL

REVISED ATTACHMENT 4

CHILDREN, YOUTH AND FAMILIES DEPARTMENT'S
ADMINISTRATIVE
AND
FISCAL STANDARDS

For Sole Proprietors,
For Non-Profit Organizations,
Local Bodies of Government,
And
For-Profit Incorporated Entities

REVISED – September 3, 2013

Note: All contractors are required to adhere to all local, state and federal regulations as applicable to their operations. All contractors are required to follow audit and reporting requirements set forth in this document. In the event of a contradiction between these standards and contract requirements the contract agreement supersedes the Administrative and Fiscal Standards.

ADMINISTRATIVE STANDARDS

For Non-Profit Organizations (with the exception of New Mexico higher education institutions)

1. The Board shall ensure that the agency has current articles of incorporation that meet all of the legal requirements of the governmental jurisdiction in which the contractor is located.
2. The Board shall ensure that the agency has current by laws that are filed with the appropriate local, state, or federal body. At a minimum, the agency by-laws should include:
 - a. Membership (types, qualification, rights, duties);
 - b. Size of Board of Directors;
 - c. Method of selection and removal;
 - d. Duties and responsibilities of officers;
 - e. Committees;
 - f. Quorums;
 - g. Recording of minutes;
 - h. Method for amending by-laws.
3. The Board shall ensure that the agency complies with applicable legal requirements and regulations of all governmental and legally authorized agencies under whose authorities it operates. These include, but are not limited to those regarding equal employment opportunity, workers compensation, unemployment insurance, affirmative action, safety, licensing, etc.
4. Board members shall be residents of the area served by the organization and representative of the social, economic, linguistic, ethnic, and racial target population. The agency shall not employ a person related to a Board member by consanguinity or affinity within the third degree. This includes, but is not limited to, spouse, mother, father, brother, sister, grandparents, aunt, uncle, niece, nephew, first cousins, mother-in-law, father-in-law, brother-in-law or sister-in-law.
5. A permanent record shall be kept of all meetings of the Board. Minutes of the meetings of the agency's Board are required in order to accurately record the decisions made and actions taken. These minutes shall included, but not be limited to, meeting date, names of members attending, topic discussed, decisions reached, actions taken, and attachment of any documents referenced. Board minutes shall be signed and approved by an officer of the Board.

For All Contractors

Personnel

1. The contractor shall have a current and dated organization chart that accurately reflects the staff structure of authority, responsibility and accountability within the organization. The organizational chart must illustrate the relationship of each position or department to all other positions or departments within the organization.
2. The contractor shall have written personnel policies and procedures. All policies and procedures shall be reviewed annually, and any changes, additions, deletions, etc., shall be dated. Procedures must be in place that allows employees to provide input into changes in agency and personnel policies and procedures.
3. The contractor shall maintain current, written job descriptions and job qualifications for all positions (staff, consultants and direct service volunteers) in the agency. Each job description shall include, at a minimum:
 - a. Job title;
 - b. Salary range;
 - c. Duties;
 - d. Responsibilities of the positions;
 - e. Required minimum experience;
 - f. Required minimum training;
 - g. Required minimum education.
4. The contractor shall maintain a current, accurate and confidential personnel record for each paid and direct service volunteer employee. A personnel record on each employee shall contain, at a minimum;
 - a. Job description;
 - b. Initial application/resume;
 - c. Documentation of reference letters;
 - d. Result of employment investigation;
 - e. Background checks;
 1. CYFD contractors that have or could have primary custody of children for at least twenty hours per week are required to comply with NMAC 8.8.3 et. seq. requiring background checks on any employee, staff, volunteer or student intern, that has direct care responsibilities or potential unsupervised physical access to clients. The contractor must submit to CYFD Background Check Unit fingerprint cards and the appropriate fee for such employees, volunteers or staff required having background checks. CYFD Background Check Unit will conduct nationwide, state and abuse and neglect background checks on required staff or volunteers in accordance with NMAC 8.8.3 standards. A CYFD eligibility letter must be in the employee, volunteer or staff member's personnel file prior to that individual having any unsupervised direct contact or unsupervised potential access to clients.
 - f. Education/experience required;
 - g. Wage and salary information;
 - h. Job performance evaluation;
 - i. Documentation/verification of all previous and ongoing training (including all component specific training and education);

- j. Incident reports;
- k. Commendations or disciplinary actions (if any).

This information must be reliable, accurate and current. All employee records must be kept in a locked file to ensure confidentiality.

- 5. The contractor shall be headed by a director. The director shall be responsible for the daily operation of the agency through decision-making, authorization of expenditures, and the implementation of policies and procedures.

Physical Facilities

The physical facilities must meet all licensing requirements per classification and should be located, constructed, equipped and operated to promote the efficient and effective conduct of the contractor's programs, to protect the health and safety of the persons serviced and the staff to promote the integration of those served into the community, to be accessible to persons served, staff and the community, meet the American's with Disabilities Act (ADA) and the Drug-Free Workplace Act of 1988.

FISCAL STANDARDS

For All Contractors

Compliance

- 1. The contractor shall comply with all federal and state statutes, rules and regulations. Cost principles, administrative requirements and audit requirements, applicable to federal grants shall apply to state funds. See attached Source Sheet.
- 2. The contractor shall comply with all aspects of the provision of the contact, including all insurance, bonding and audit and financial reporting requirements.

Insurance

- 1. The contractor, with the exception of New Mexico higher education institutions, shall obtain and maintain at all times during the term of this contract an Employee Dishonesty Policy covering the activities of the contractor in the amount of no less than 25% of the total (cumulative) dollar amount of the current CYFD contract(s).
- 2. The contractor shall obtain and maintain at all times during the term of this contract a general and professional liability insurance policy issued by an insurance company licensed to do business in the State of New Mexico. The policy shall include liability insurance coverage provided in the amount of at least \$100,000 for damage to or destruction of property arising out of a single occurrence; \$300,000 to any person for any number of claims arising out of a single occurrence for all damages other than property damage; or \$500,000 for all claims arising out of a single occurrence. The policy shall be secured by the contractor within thirty (30) days of the effective date of the current contract.

3. The contractor, with the exception of New Mexico higher education institutions if insured by General Services Department's Risk Management Division, shall secure and maintain sufficient fire and extended hazard insurance on all property in the custody of the contractor, which is furnished or owned by the Department or in which the Department has a financial interest, within thirty (30) days of the effective date of the current agreement. Sufficient insurance, for the purposes of this paragraph, means enough to cover CYFD's loss, if any to such property, in the event of fire or other hazard.
4. The contractor, with the exception of New Mexico higher education institutions if insured by General Services Department's Risk Management Division, shall name Children, Youth and Families Department as an "Additional Insured" with the insurance carrier of the contractor's liability insurance. A copy of the contractor's "Certificate of Liability Insurance" proving compliance with all the above insurance requirements must be available upon request.

Fiscal Books of Records

The contractor must maintain the following books of record:

1. Chart of Accounts
2. General Ledger
3. Cash receipts and Cash Disbursements Journals
4. General Journal of adjusting entries, correcting entries, accrual entries, and cost allocation entries if not provided for in cash journals.
5. Subsidiary ledgers, if applicable to the organization.
6. Any Capital Outlay Inventory purchased with CYFD funding includes at a minimum:
 - a. Description of property;
 - b. Serial number or other ID number;
 - c. Date of purchase;
 - d. Acquisition cost by funding source(s);
 - e. Location and use of property;
 - f. Disposition data including date and price, if any.
7. Payroll journals and employee earnings records.
8. Fiscal Policy and Procedures that must include:
 - a. Handling of cash/checks;
 - b. Handling of voided checks;
 - c. Authorized check signatures;
 - d. Bank reconciliations;
 - e. Separation of duties;
 - f. Accounting system;
 - g. Travel;
 - h. Cost allocation method;
 - i. Accounting policies for donations.

Reports

1. The contractor shall complete in full the State and Federal payroll tax forms in accordance with required time period and shall insure payroll taxes are paid within the required time frame.
2. The contractor shall complete in full and submit the required forms of the State Department of Labor.
3. The contractor shall submit timely program and financial reports to the funding agencies as specified in the contracts.

Retention of Records

The following are the requirements for the retention of financial records:

1. The contractor shall maintain for three (3) years, (in addition to current year records) detailed accounting and billing records which indicate the date, time, and nature of services rendered, records relating to contract services, and all operating financial documentation which shall be subject to inspection by the Department and if applicable, the State Auditor or their designee.
2. The Department shall have a right to audit billings and related documents both before and after payment. Payments made under a contract between the contractor and the Department shall not foreclose the right of the Department to recover excessive, illegal payments, and/or payments which are not in accordance with the contract.
3. The contractor shall maintain the funds from the CYFD contract **separately** in accurate financial records, books, files, and reports in accordance with generally accepted accounting principles, state and federal laws and regulation, and the requirements of the Departments as described in this Administrative and Fiscal Standards Guidance.
4. The financial management systems established by the contractor shall ensure it provides fiscal and budgetary controls as well as sound accounting procedures. A Schedule of Revenues & Expenditures Budget to Actual Comparison for each contract must be prepared and submitted to the Department at the same time as the annual financial audit or financial statement. The Schedule must include the approved original budget for the fiscal year, revised budget, actual revenue and expenditures and a variance column.

Audits

NOTE: Audit and financial reporting requirements are applicable to all contractors of Children, Youth and Families Department.

1. Sole proprietor contractors receiving Department funds under \$100,000.00 must submit to the Department the Sole Proprietor Business Reporting Form "Schedule C". Sole Proprietor billings are subject to review by the CYFD contract and program site reviewers and must be available upon request. A Sole Proprietorship is a type of business entity that is owned and

run by one individual and in which there is no legal distinction between the owner and the business.

2. Audits for a contractor receiving under \$150,000.00 per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor within a fiscal year) whose Board has elected to not conduct an audit must comply with the following:
 - a) The contractor shall prepare financial statements that include a Revenue and Expenditure – Budget to Actual Comparison, Balance Sheet or Statement of New Assets and Income Statement or Statement of Activities. The contractor shall disclose the method of accounting used (cash or accrual) to prepare such statements. The Revenues and Expenditures – Budget to Actual Comparison statement must include the original budget for the fiscal year as approved by the Board, revised budget, actual revenue and expenditures and variance column. A cash disbursement and cash receipt journal cannot take the place of the Balance Sheet and Income Statement. These financial statements shall be available upon request to the Department's Contract/Audit Unit within three (3) months of the contractor's fiscal year end.
 - b) This section (Section 2) does not apply to sole proprietor contracts covered under Audits section 1.
3. Audits for a contractor receiving \$150,000.00 to \$300,000.00 per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor with in a fiscal year) whose Board has elected to not conduct an audit must comply with the following:
 - a) The contractor shall have an Independent Auditor's Report of Agreed-Upon Procedures (AUP) to ensure compliance with contract requirements in accordance with General Accepted Accounting Practice (GAAP). The AUP report shall be available upon request to the Department's Contract/Audit Unit within nine (9) months of the contractor's fiscal year end.
 - b) The contractor shall ensure that the selected accounting firm performing the AUP report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break. The selected accounting firm shall not have provided non-auditing services within the year being reviewed.
4. Audits for a contractor receiving \$300,000.00 or greater per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor with in a fiscal year):
 - a) The contractor shall have an Independent Audit Report that conforms to the General Accounting Standards (Yellow Book) as recommended by GAO. This Independent Audit Report shall be available upon request to the Department's Contract/Audit Unit within nine (9) months of the contractor's fiscal year end. The contractor must also submit a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.
 - b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a

minimum two year break. The selected auditor shall not have provided non-auditing services within the year being audited.

5. Audit for an contractor receiving over \$500,000.00 per year in cumulative Federal funds (a total of all contracts awarded to the contractor with in a fiscal year) the contractor must receive an audit as required by the U.S. Office of Management and Budget, Circular A-133 Audits of States, Local Governments and Non-Profit Organizations, and U.S. Office of Management and Budget, Circular A-21, Cost Principles for Educational Institutions. The contractor must have available upon request a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.
 - a) The Contractor must have available upon request their audited financial statements within nine (9) months of their fiscal year end to the Agency's Contract/Audit Unit. The Contractor must also have available upon request the Management Letter Comments issued by the Independent Auditor in a separate report.
 - b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break. The selected auditor shall not have provided non-auditing services within the year being audited.
6. Financial Statements, AUP and Audits must be mailed to:

Children, Youth and Families Department
Contract/Audit Unit
P.O. Box 5160
Santa Fe, NM 87502

SOURCE SHEET

ADMINISTRATIVE REQUIREMENTS

Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; also known as the Common Rule.

OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.

COST PRINCIPLES

OMB Circular A-21, Cost Principles for Educational Institutions

OMB Circular A-87, Cost Principles for State and Local Governments.

OMB Circular A-122, Cost Principles for Non-Profit Organizations.

FASB and AICPA Statements and Professional Pronouncements.

AUDITS

OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations.

OMB Compliance Supplement for Audits of States, Local Governments and Non-Profit Organizations.

U.S. General Accounting Office, Government Auditing Standards, (The Yellow Book, current revision).

FASB and AICPA Statements and Professional Pronouncements.

